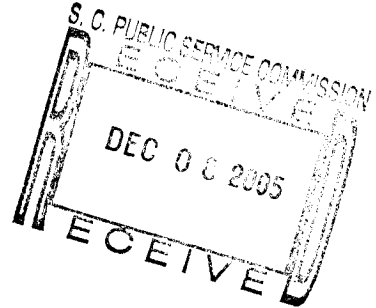


# ELLIS:LAWHORNE

John J. Pringle, Jr.  
Direct dial: 803/343-1270  
[jpringle@ellislawhorne.com](mailto:jpringle@ellislawhorne.com)

December 6, 2005



**VIA ELECTRONIC AND 1<sup>ST</sup> CLASS MAIL SERVICE**

The Honorable Charles L.A Terreni  
Chief Clerk  
**South Carolina Public Service Commission**  
PO Drawer 11649  
Columbia SC 29211

RE: Joint Application of Voicecom Telecommunications, LLC, and Voicecom Telecommunications, Inc., for Approval of Acquisition of Assets and Assignment of Authorizations  
**Docket No. 2005-289-C, Our File No. 1048-10315**

Dear Mr. Terreni:

Enclosed please find the original and twenty-five (25) copies of the **Verified Direct Testimony of Dan Mell** filed on behalf of Voicecom Telecommunications, LLC and Voicecom Telecommunications, Inc. in the above-referenced matter.

*JJP* If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

John J. Pringle, Jr.

JJP/cr

cc: Mr. Dan Mell  
Charles Hudak, Esquire  
Florence Belser, Esquire

Enclosure

*OK post marked*  
*HK*

IN RE:

**VERIFIED DIRECT TESTIMONY OF DAN MELL**

9     A.     I have worked in the telecommunications industry for over nineteen (19) years, holding a  
10           variety of positions in operations, corporate development, accounting and finance.  
11           Currently, I hold the position of Chief Financial Officer of Voicecom, where I am  
12           responsible for all accounting, finance, planning, legal, billing and human resource issues  
13           related to Voicecom's provision of telecommunications services. In addition, I am

1 generally responsible for overseeing the proper operation of Voicecom's  
2 telecommunications network facilities.

3 I originally joined the Voicecom team in 1995 as Manager of International  
4 Business Development. As Director of Strategic Planning for Voicecom's then parent  
5 company, Premiere Global Services, Inc. (formerly known as PTEK Holdings, Inc.), I  
6 played a significant role in executing a series of transactions which resulted in Premiere  
7 Global Services, Inc. growing from \$50 million to over \$500 million in revenues in less  
8 than eighteen (18) months. Thereafter, in 2002, I played a significant role in the sale of  
9 Voicecom to Gores Technology Group, a privately held international acquisition and  
10 management company. Prior to my current position with Voicecom, I have held a variety  
11 of financial positions with Nortel Networks, including Director of Finance for North  
12 American Cable operations which generated revenues of over \$300 million.

13 I hold a Masters of Business Administration degree in finance and accounting  
14 from McGill University in Montreal, Canada.

15 **Q. What relief does the Joint Application seek?**

16 A. The parties request that the South Carolina Public Service Commission (the  
17 "Commission") grant the *nunc pro tunc* transfer of VTI's authority to provide resold local  
18 and long distance telecommunications services to VTL, once held by Premiere  
19 Communications, Inc. ("PCI").

20 **Q. Please describe the Applicants.**

21 A. VTL is a Delaware limited liability company. VTL was organized for the purpose of  
22 providing telecommunications products and services to companies competing in the  
23 global telecommunications marketplace. VTL is certified or otherwise authorized to

1 provide intrastate telecommunications services in approximately 29 states and the District  
2 of Columbia, and has recently obtained authorization to provide intrastate  
3 telecommunications services with the State of South Carolina.<sup>1</sup>

4 VTI is a Delaware corporation headquartered at 6260 Lookout Road, Boulder, Colorado  
5 80301. VTI owns 100% of the membership interests of VTL.

6 Premiere Communications, Incorporated (“PCI”), was a Florida corporation formerly  
7 headquartered at 3399 Peachtree Road, NE, Suite 700, Atlanta Georgia 30326. PCI was  
8 previously a non-facilities based reseller of post-paid telephone calling card  
9 services. PCI held certification or authorization to provide intrastate, long distance  
10 services in South Carolina<sup>2</sup> and in approximately 46 other states.

11 **Q. Please describe the previous proceedings before this Commission involving these**  
12 **parties and resulting in this Docket.**

13 A. The Commission actually initiated a Docket, No. 2002-302-C, in which the parties  
14 referenced herein sought the approval Applicants now seek. However, that Docket was  
15 closed before an Order granting approval was issued. In the meantime, VTL filed an  
16 application with the Commission seeking authorization to operate as a reseller of  
17 interexchange services in the State of South Carolina. The Commission assigned that  
18 application Docket No. 2005-85. At the hearing in Docket No. 2005-85, the Company  
19 described its earlier initial efforts to obtain Commission approval for the transactions  
20 described herein, and represented to the Hearing Examiner that the Company would seek

---

<sup>1</sup> Applicants crave reference to Docket No. 2005-85-C.

<sup>2</sup> Certificate of Public Convenience and Necessity, issued in Docket No. 92-145-C by Order No. (July 28, 1992). As set out below, that Certificate has been cancelled.

1        *nunc pro tunc* approval of these transactions in short order. This Application followed.  
2        Because VTL has been involved in Docket Nos. 2002-302-C and 2005-85-C (and  
3        accordingly submitted substantial documents and information therein), the Applicants  
4        incorporate the documents filed and the testimony given in those Dockets.

5        **Q: Please describe the transactions for which the parties seek *nunc pro tunc* approval.**

6        A: On March 25, 2002, the Applicants, along with several other entities affiliated with PCI,  
7        entered into a series of agreements in connection with the transaction described herein.  
8        Generally, VTL, PCI, and PCI's affiliates first entered into a Contribution Agreement,  
9        whereby PCI and its affiliates transferred certain information service-related assets and  
10       certain liabilities to VTL in return for which PCI and PCI's affiliates acquires  
11       membership interests of VTL. Immediately thereafter, the Applicants and PCI's affiliates  
12       entered into a Membership Interests Purchase Agreement ("Agreement") whereby VTI  
13       purchased from PCI and PCI's affiliates all of the membership interests of VTL during an  
14       initial closing.

15                Under the Membership Interests Purchase Agreement, the Applicants and PCI's  
16       affiliates agreed to conduct a final closing, whereby PCI transferred and VTL acquired  
17       certain of PCI's telecommunications assets, including *inter alia*, customer rights,  
18       authorization codes, intellectual property rights, and authorizations to provide intrastate,  
19       long distance telecommunications services. The initial closing was completed on March  
20       26, 2002.

21                Following consummation of the final closing, VTL acquired from PCI ownership  
22       of certain telecommunications assets, including the state regulatory authorizations and

1 certificates to provide intrastate, long distance telecommunications services. After the  
2 final closing, VTL began providing long distance services to customers in South Carolina.  
3 PCI, on the other hand, ceased offering or providing intrastate, long distance  
4 telecommunications services in South Carolina. The Commission issued Order No. 2003-  
5 344 in Docket No. 92-145-C on May 23, 2003, canceling PCI's certificate and  
6 withdrawing its tariffs.

7 **Q. Does the Application seek anything else?**

8 A. Yes. Applicants request that the Commission approve VTL's adoption of VTI's' tariff,  
9 and VTI's request to abandon service once its customers have been fully transferred to  
10 VTL.

11 **Q. Does VTL presently hold authority from the Commission?**

12 A. Yes. On October 3, 2005, the Commission, granted VTL authority in Order No. 2005-  
13 519, to operate as a provider of resold long distance telecommunications services.

14 **Q. Does VTI presently hold authority from the Commission?**

15 A. No.

16 **Q. How has the acquisition of assets and assignment of authorizations affected VTIs'**  
17 **South Carolina's current customers?**

18 A. The acquisition of assets and assignment of authorizations has not resulted in any loss or  
19 impairment of service to any customers. Customers continued to receive their existing  
20 services at the same rates, terms, and conditions following the transaction, and any  
21 subsequent changes in rates, terms or conditions of service have been made consistent  
22 with Commission's requirements. The only change was the customers' service provider.

1 Thus, from a customer's point of view, the transfer was transparent, and the service  
2 seamless and uninterrupted. To ensure a seamless transaction and avoid customer  
3 confusion or inconvenience, Applicants provided advance written notice to the affected  
4 customers at least thirty (30) days prior to the transfer, explaining the change in service  
5 provider in accordance with the applicable Federal Communications Commission  
6 ("FCC") and state requirements.

7 **Q. Is VTL financially qualified to provide telecommunications services in South**  
8 **Carolina?**

9 A. Pursuant to the Agreement, VTL is qualified to provide telecommunications services in  
10 South Carolina. As a wholly-owned subsidiary of VTI, VTL has the assurance of its  
11 parent company that it will be provided the financial resources necessary to operate its  
12 telecommunications resale business in a continuous manner. VTL thus has access to the  
13 financing and capital necessary to conduct its telecommunication service operations to  
14 fulfill any obligations it may undertake with respect to the operation and maintenance of  
15 its telecommunication services.

16 **Q. Has the transfer of authority adversely affected South Carolina customers?**

17 A. No. The transfer has had no adverse impact on customers in South Carolina, and was  
18 virtually transparent to such customers. VTL's South Carolina customers have  
19 experienced no change in the rates, terms and conditions offered by VTL to South  
20 Carolina customers. VTL has continued to provide high-quality, affordable  
21 telecommunications services to the public in the same manner as VTL has since it  
22 obtained certification from the Commission.

1    **Q.     In your opinion, is the granting of the application in the public interest?**

2    A.     Yes. The transfer has enhanced services provided to South Carolina customers.

3    **Q:     Does that conclude your testimony?**

4    A.     Yes it does. I would thank the Commission for the opportunity to testify in this  
5           proceeding, and stand ready to provide any additional information that the Commission  
6           deems necessary in order to grant the relief requested.

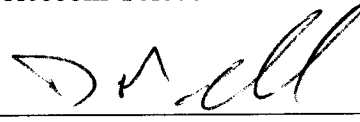


# VERIFICATION

STATE OF GEORGIA       §  
                                     §  
CITY OF ALPHARETTA   §

I, Dan Mell, first duly sworn, on my oath and in my capacity as Chief Financial Officer of Voicecom Telecommunications, LLC, state that I am authorized to provide on behalf of Voicecom Telecommunications, Inc. this Testimony, and have knowledge of the matters stated in this Testimony, and that said matters are true and correct to the best of my knowledge and belief.

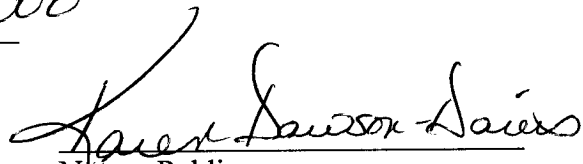
Name: Dan Mr. Mell  
Title: Chief Financial Officer  
Voicecom Telecommunications, LLC

  
\_\_\_\_\_  
Signature

Subscribed and sworn to (or affirmed) before me, Karen Dawson Davis Notary Public, on this 5th day of December 2005 by Dan Mell, personally known to me or proved to me on the basis of satisfactory evidence to be the person who appeared before me.

WITNESS my hand and official seal.

My Commission Expires: May 25, 2008

  
\_\_\_\_\_  
Notary Public